

ACT 76

S.B. NO. 1028

A Bill for an Act Relating to the Hawaii Health Connector.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) required states to establish health insurance exchanges to connect buyers and sellers of health and dental insurance and facilitate the purchase and sale of federally-qualified health in-

urance plans and qualified dental plans. The initial intent of the state health insurance exchanges was to reduce the number of uninsured individuals, provide a transparent marketplace, conduct consumer education, and assist individuals in gaining access to assistance programs, premium assistance tax credits, and cost-share reductions.

The legislature further finds that, largely due to the success of the Hawaii Prepaid Health Care Act, the State enjoys an overall healthier population, lower uninsured rates, and lower premium costs than mainland states. It is, therefore, imperative that Hawaii's health insurance exchange, known as the Hawaii health connector (connector), work in tandem with the Hawaii Prepaid Health Care Act to preserve the Prepaid Health Care Act's existing benefits for Hawaii residents.

The legislature additionally finds that as of April 21, 2015, the connector has experienced a successful open enrollment facilitating more than 37,000 qualified health plan and dental plan selections and 45,000 medicaid enrollees for the 2015 plan year. The legislature also finds that, as part of its initial phase of operation, the connector has benefited from new tax credits available under the Affordable Care Act, including the advanced premium tax credit and small business health insurance tax credit. The combined value of these benefits through 2024 is estimated at \$505,000,000, which is expected to provide direct financial stimulus to the State, facilitate the expansion of health insurance, and reduce uncompensated health care costs associated with the delivery of medical services to the State's eligible population.

The purpose of this Act is to appropriate funds for the operations of the connector.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$2,000,000 or so much thereof as may be necessary for fiscal year 2015-2016 for the operations of the Hawaii health connector.

The sums appropriated shall be expended by the department of commerce and consumer affairs for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2015.

(Approved June 3, 2015.)